

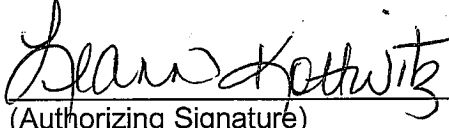
Pete K. Rahn, Director



2007 Missouri Quality Award Winner

**ADDENDUM 001  
Request For Bid  
Ferry Services  
RFB 6-080404**

Offerors should acknowledge receipt of Addendum 001 (ONE) by signing and including it with the original bid. The due date for receipt of bid has not changed by this Addendum. Accordingly, the following clarifications, questions and answers are believed to be of general interest to all potential Offerors. All other terms and conditions remain unchanged and in full force.

Name and Title of Signer (Print or type)	Name and Title of Department Authority  Leann Kottwitz Senior General Services Specialist
Contractor/Offeror Signature	Department of Transportation 
(Signature of person authorized to sign)	(Authorizing Signature)
Date Signed:	Date Signed: 3/28/08

**Question:** In regards to the pricing for daily services for the proposed Glasgow ferry I have a question about how to handle fuel costs. In the current RFB the categories include 001 Mobilization and 002 Weekly Operating Costs. As a potential bidder budgeting fuel for the vessel would be very difficult given the dynamic nature of fuel prices. As consumers we have all seen huge shifts in fuel prices. Trying to predict what would be an appropriate amount for twelve months of operations would be very difficult. As a bidder I would have to make such large assumptions that have the potential to be inaccurate. There is section 2.4.2 "escalation clause" but using that to balance out the volatile pricing in the fuel market may prove time consuming and counterproductive.

**Response: Additional language to be inserted under Section 2.3, Invoicing and Payment Requirements**

2.3.1.1 Price Adjustment for Fuel. A Fuel Index method will be applied for price adjustment for fuel used for the ferry service. The first day of the month (excluding Saturdays, Sundays, and holidays) in which the project is bid will be used to establish the "Starting Fuel Index" for the duration of the project. The "Starting Fuel Index" will be the average of the values given for No. 2 fuel as reported by Platt's Oilgram - PAD 2 - St. Louis Area.

2.3.1.2 The pay items and unit prices in the contract will not change. The Commission will, on the first day of each month (excluding Saturdays, Sundays and holidays), determine the "Monthly Fuel Index" of No. 2 fuel from the price index as reported by Platt's Oilgram - PAD 2 - St. Louis Area, which will apply to all fuel invoices submitted during that month regardless of the type fuel used.

2.3.1.3 The quantities of fuel usage by the ferry operator for any price adjustment will be determined by submittal of invoices to the engineer. The bidder shall submit any invoices for fuel along with the invoice for weekly operating costs for the week in which fuel costs were incurred.

2.3.1.4 The difference ( $\pm$ ) between the "Monthly Fuel Index" and the "Starting Fuel Index" will be the "Monthly Fuel Index Adjustment Factor". Adjustments will be made for any change in the ratio of the "Monthly Fuel Index" to the "Starting Fuel Index". This "Monthly Fuel Index Adjustment Factor", along with the volume of fuel used based on submitted invoices, will determine the fuel adjustment payment or deduction. The bidder shall note that the fuel adjustment could be a positive or negative adjustment depending on the value of the "Monthly Fuel Index" compared to the "Starting Fuel Index."

2.3.1.5 If adjustments are made in the contract quantities, the contractor shall accept the fuel adjustment as full compensation for increases or decreases in the price of fuel regardless of the amounts of overrun or underrun.

2.3.1.6 The fuel adjustment will be computed each week work is performed, for the usage of fuel, by the following procedure:

$$\text{Fuel Adjustment} = (\text{Fuel Usage}) \times (\text{Monthly Fuel Index Adjustment Factor})$$

2.3.1.7 Payments or deductions for the fuel adjustments on the weekly operating costs will be made on the estimate as one "Fuel Adjustment". No change order will be required.

**Question:** We just want some clarification of paragraph 2.2.4. That is, what detail are you looking for when it comes to mobilization costs. Does that amount include equipment acquisition costs?

Also, on weekly operating costs I don't see a request for detail. Do we need to submit a breakdown of weekly operating costs in addition to the total on the pricing page?

Does the 25% of total upon receipt of invoice amount to the total bid invoice or just the mobilization price.

**Response:** The mobilization bid item may include equipment acquisition costs. The bidder shall provide an outline of mobilization costs with the bid response. The outline shall provide a general breakdown of the costs included in mobilization. Costs required for operation of the service during the contract period, including fuel, labor, preventive maintenance, and other general operating costs, shall not be included in mobilization. A detailed invoice of the costs included in mobilization will be required following execution of a contract and prior to payment for mobilization. Twenty-five percent (25%) of mobilization costs will be paid upon receipt of the detailed invoice of mobilization and the remainder of mobilization costs will be paid as indicated in paragraph 2.2.4. A detailed invoice for weekly operating costs is not required, except that fuel invoices shall be provided to determine fuel price adjustments.